Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Appropriations Subcommittee on General Government & Information Technology

HB 2748

Brief Description: Concerning fees assessed by the department of agriculture.

Sponsors: Representative Hudgins.

Brief Summary of Bill

- Creates, increases, or extends a number of Department of Agriculture fees related to dairy processing and food processing.
- Redirects dairy-related license fee revenue from the State General Fund to the agricultural local fund.

Hearing Date: 2/6/14

Staff: Dan Jones (786-7118).

Background:

The Department of Agriculture (DOA or department) collects approximately 150 different fees related to the agricultural licensing, inspection, and similar work of the department. In a budget proviso in the 2013-15 operating budget, the Legislature directed the DOA to convene a work group with appropriate stakeholders to review fees supporting DOA programs that also receive general fund support. The resulting work group released a report in November 2013 that identified DOA programs that receive both fee and general fund money and made a number of fee-specific recommendations. This bill is based on the recommendations of the DOA Fee Work Group report.

Summary of Bill:

The following Department of Agriculture (DOA) fees are amended:

• The milk processing plant license fee is raised from \$55 to \$250 per year.

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- The dairy technician's initial license fee is raised from \$10 to \$25, and the renewal fee is raised from \$5 to \$25 each odd-numbered year.
- The milk processing plant sanitary certificate fee is raised from \$50 to \$75 per certificate.
- The milk assessment expiration date is changed from 2015 to 2020 and the Director shall establish a minimum assessment amount to be paid by in-state milk processing plants regardless of size.
- The range for food processing plant license fees, which are based on gross annual sales, is raised to a minimum of \$92 and maximum of \$862.

The following DOA fees are created:

- The fee for any endorsement in addition to a dairy technician's license is \$25.
- An inspection fee may be assessed by the DOA for manufacturing facilities that must be inspected under the Pasteurized Milk Ordinance (PMO) but do not satisfy the definitions of "milk processing plant," "food processing plant," or "food storage warehouse" under current law.

Revenue from dairy-related license fees (RCW 15.36) is redirected from the general fund to the agricultural local fund.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.